THE REPUBLIC OF THE UNION OF MYANMAR

THE MYANMAR INVESTMENT COMMISSION

Republic of the Union of Myanmar ★ Myanmar Investment Commission ★
Sr. No.
Dated

PERMIT

Permit No. 653 /2013 Date 27 ,December 2013

The Myanmar Investment Commission issues this Permit under section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MR. SHIV KUMAR DHANUKA

(b) Citizenship INDIAN

(c) Address 7 BRIGHT STREET, FLAT NO. 1E, KOLKATA-700019, INDIA.

(d) Name and Address of principal organization SUDIMA INTERNATIONAL PTE LTD. 151 CHIN SWEE ROAD,# 09-08 MANGATTAN HOUSE SINGAPORE 169876

(e) Place of incorporation SINGAPORE

(f) Type of business in which investment is to be made MANUFACTURING AND MARKETING OF VENEER, SAWN TIMBER AND PLYWOOD

(g) Place(s) at which investment is permitted HOLDING NO. ZAMYINZWE-4/KAGYI, ZAMYINZWE-4/KHAKWAY AND ZAMYINZWE-4/GAGYI, PLOT NO. 783/ TAUNG NYO-WEST, PADAMYAR WARD, SAGAING TOWNSHIP,SAGAING INDUSTRIAL ZONE, SAGAING REGION

(h) Amount of foreign capital US$ 9.70 MILLION

(i) Period for bringing in foreign capital WITHIN (12) MONTHS

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US$ 9.70 MILLION

(k) Construction period 15 MONTHS

(l) Permitted duration of investment 30 YEARS

(m) Form of investment WHOLLY FOREIGN OWNED INVESTMENT

(n) Name of Company incorporated in Myanmar MYANMAR VENEER & PLYWOOD PVT., LTD.

Win Shein

Chairman

The Myanmar Investment Commission

3/5/12

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်

မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်

ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၆၅၃ / ၂၀၁၃ ၂၀၁၃ ခုနှစ်၊ ဒီဇင်ဘာလ ၁၈ ရက်

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှုဥပဒေပုဒ်မ(၁၃)ပုဒ်မခွဲ(ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ရင်းနှီးမြှုပ်နှံသူ/ကမကထပြုသူ၏အမည် MR. SHIV KUMAR DHANUKA

(ခ) နိုင်ငံသား INDIAN

(ဂ) နေရပ်လိပ်စာ 7 BRIGHT STREET, FLAT NO.1E, KOLKATA-700019, INDIA.

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ SUDIMA INTERNATIONAL PTE LTD. 151 CHIN SWEE ROAD,# 09-08 MANGATTAN HOUSE, SINGAPORE 169876

(င) ဖွဲ့စည်းရာအရပ် စင်္ကာပူနိုင်ငံ

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား သစ်အချောထည်ထုတ်လုပ်ခြင်းနှင့် ရောင်းချခြင်း လုပ်ငန်း(သစ်ပါးလွှာ၊ အထပ်သား ၊သစ်ခွဲသား)

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) ဦးပိုင်အမှတ်ဈ/၄က၊ဈ/၄ခ၊နှင့်ဈ/၄ဃ အကွက်အမှတ်(၇၈၃/တောင်ညို-န)၊ပတ္တမြားရပ်ကွက်၊စစ်ကိုင်းမြို့နယ်၊ စစ်ကိုင်းစက်မှုဇုန်၊ စစ်ကိုင်း တိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း ပမာဏ အမေရိကန်ဒေါ်လာ၉.၇၀သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိပြီး (၁၂)လ အတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ၉.၇၀သန်းနှင့် ညီမျှသောမြန်မာကျပ်ငွေ

(ဋ) တည်ဆောက်မှုကာလ ၁၅ လ

(ဌ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၃၀နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ရာခိုင်နှုန်းပြည့်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် MYANMAR VENEER & PLYWOOD PVT., LTD

ဥက္ကဋ္ဌ

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

THE REPUBLIC OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

Building No.(32), Nay Pyi Taw

Our ref: DICA-1/FI-865/ 2013(30545) Tel: 067- 406334, 406075

Date : 27 December 2013 Fax: 95-67-406333

Subject : **Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing and Marketing of Commercial Face Veneer, Core Veneer, Sawn Timber,Teak Veneer & Plywood" under the name of Myanmar Veneer & Plywood Pvt., Ltd.**

Reference: Myanmar Veneer & Plywood Pvt., Ltd. Letter dated (12.8.2013)

1. The Myanmar Investment Commission, at its meeting (31/2013) held on(4-12-2013)had approved that the proposal for investment in "Manufacturing and Marketing of Commercial Face Veneer, Core Veneer, Sawn Timber,Teak Veneer & Plywood" under the name of "Myanmar Veneer & Plywood Pvt., Ltd."submitted by "Sudima international Pte Ltd." of Singapore as a wholly foreign owned investment.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 30 (thirty) years and extendable for 15 (fifteen) years 2 (two) times commencing from the date of signing of the Lease Agreement for land and building by mutual agreement between U Kyaw Lwin and Myanmar Veneer & Plywood Pvt., Ltd. At the end of the Lease period, Myanmar Veneer & Plywood Pvt., Ltd. shall remove all related materials on the plot of land except the building and

unrecoverable things and shall be handed over to the lessor in good condition.

4. The annual rent for the land shall be US$ 40,468.56 (United States Dollar fourty thousand, four hundred, and sixty-eight and fifty-six cent only) calculated at the rate of US$ 1.00 per square meter per year of the land measuring 40,468.56 square meter (10.00acres).

5. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs as per section 27(a)(h)(i) and (k) of the Republic of the Union of Myanmar Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial operation;

(b) As per section 27(h), exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction of business;

(c) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section 27(k), exemption or relief from commercial tax on the goods produced for export.

6. Myanmar Veneer & Plywood PVT., Ltd. shall have to sign the Land and Building Lease Agreement with U Kyaw Lwin. After signing such Agreement, (5) copies shall have to be forwarded to the Commission.

7. Myanmar Veneer & Plywood PVT., Ltd. in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

8. Myanmar Veneer & Plywood PVT., Ltd. shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit" it shall become null and void.

9. Myanmar Veneer & Plywood PVT., Ltd. has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules extension of construction period shall not be allowed more than one except it is due to unavoidable events such as natural disasters, instability, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if the Myanmar Veneer & Plywood PVT., Ltd. cannot construct completely in time during the construction period or extension period, the Commission will have to terminate the permit issued to the investor and there is no refund for the expenses of the project.

12. The commercial date of operation shall be reported to the Commission.

13. Myanmar Veneer & Plywood PVT., Ltd. shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal in accordance with Chapter XI, section 24 and section 25 of the Republic of the Union of Myanmar Foreign Investment Law and Myanmar Veneer & Plywood PVT., Ltd. has to follow the exisiting Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Republic of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rule 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under section 2 (i) of the said Law, other than foreign currency.

16. Whenever Myanmar Veneer & Plywood PVT., Ltd. brings in foreign capital defined under section 2 (i) of the said Law, other than foreign currency in the manner stated in paragraph 15 (b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Myanmar Veneer & Plywood PVT., Ltd. has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the State and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. Myanmar Veneer & Plywood PVT., Ltd. shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Myanmar Veneer & Plywood PVT., Ltd. shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct Environmental Impact Assesment(EIA) process and an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted, and to perform activities in accordance with this EMP and to abide by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

20. Myanmar Veneer & Plywood PVT., Ltd. shall have to carry out the plantation and rehabilitation according to the plan submitted to the Forest Department to fulfill the raw materials requirement.

21. After getting permit from Myanmar Investment Commission, Myanmar Veneer & Plywood Pvt., Ltd. shall have to be registered at the Directorate of Industrial Supervision and Inspection.

22. Myanmar Veneer & Plywood Pvt., Ltd. shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire extinguishers and provide training to use the fire fighting equipments.

23. Payment of principal and interest of the loan(if any) as well as payment for import of raw materials and spare parts etc. shall only be made out of foreign exchange earnings and local sales of Myanmar Veneer & Plywood Pvt., Ltd.

24. Myanmar Veneer & Plywood Pvt., Ltd. in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rules 79 and 80 of the Foreign Investment Rules.

Win Shein

(Win Shein)

Chairman

2/18/12

Myanmar Veneer & Plywood Pvt., Ltd.

cc: 1. Office of the Union Government of the Republic of the Union of Myanmar

2. Office of the Yangon Region Government

3. Ministry of National Planning and Economic Development

4. Ministry of Finance

5. Ministry of Commerce

6. Ministry of Construction

7. Ministry of Foreign Affairs
8. Ministry of Home Affairs
9. Ministry of Immigration and Population
10. Ministry of Labour, Employment and Social Security
11. Ministry of Electric Power
12. Ministry of Environmental Conservation and Forestry
13. Director General, Directorate of Investment and Company Administration
14. Director General, Customs Department
15. Director General, Internal Revenue Department
16. Managing Director, Myanma Foreign Trade Bank
17. Managing Director, Myanma Investment and Commercial Bank
18. Managing Director, Myanma Insurance
19. Managing Director, Myanma Electric Power Enterprise
20. Director General, Directorate of Trade
21. Director General, Immigration and National Registration Department
22. Director General, Directorate of Labour
23. Managing Director, Myanma Timber Enterprise
24. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)